

# December 2006

# California Postsecondary Education Commission

# Factors Affecting College-Going Rates in California: A Study Prospectus

This report proposes that the Commission conduct further study on the factors affecting college-going rates in California. It includes a discussion of the range of factors to be examined.

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The Commission advises the Governor and Legislature on higher education policy and fiscal issues. Its primary focus is to ensure that the state's educational resources are used effectively to provide Californians with postsecondary education opportunities. More information about the Commission is available at <a href="https://www.cpec.ca.gov">www.cpec.ca.gov</a>.

Draft Commission Report

The California Postsecondary Commission recently released a report presenting college-going rates broken down by ethnicity, gender, and county. College-going rate data show that Latino and African American high school graduates are participating in college at rates well below those of Asians and Whites. College-going rates also vary substantially from place to place. For example, college-going rates in northern counties are much lower than in coastal urban areas. College-going rates also vary with income and other socioeconomic characteristics.

While the data available in CPEC's database allows for the measurement of many disparities in participation rates, a number of important questions remain:

- What are the factors that drive changes in college-going rates?
- What is the relative significance of each factor?
- How can we influence these factors to diminish inequities?

In order to develop policies to remedy inequities, it is essential to understand the full range of reasons for variations in college-going rates. For example, college-going rates tend to be low in the rural northern counties. However, college-going varies from school to school depending on local factors such as family incomes in the neighborhood of the school. It may be that the low college-going rates in the northern counties are the result of cultural or geographical differences between regions. It is critical that a comprehensive understanding of the factors driving college-going rates be developed and used to guide the development of appropriate public policies.

This kind of analysis would help guide the development of polices to broaden access to public higher education. If the analysis shows that regional location has a real effect on college-going after correcting for income, school performance, and other local factors, then cultural and geographical factors may be significant obstacles to university-going in some regions of California. Should this be the case, policies to encourage more widespread access to the University of California (UC) and the California State University (CSU) must address cultural or geographical differences between regions.

On the other hand, the analysis may show that college-going rates are driven primarily by factors other than region or geographic location. In that case, inequities might be better addressed using policies to improve high school performance and student preparation independent of regional differences in the state.

## **Proposed Study**

In order to have a better understanding of the factors impacting college-going rates, the Commission should conduct a statistical analysis to determine how college-going rates are affected by school demographics, neighborhood characteristics, and regional labor market factors. Using study methods that control for the interrelationships among the factors impacting college participation, the study could reveal insights useful for improving secondary education, college access, financial aid, and postsecondary education fiscal policies.

The study will build upon what is known about these factors by examining a range of other factors and assessing their interrelationships using regression analyses. Among the factors to be examined are the following:

- *Ethnicity and gender:* These characteristics are expected to have a major effect on college-going rates. However, it is important to separate the effect of ethnicity and gender from the effect of other factors.
- Socioeconomic status: Schools in high income areas are expected to have the highest college-going rates. However income changes may have more impact on college-going in low-income areas than in high income areas.
- Parental education level: Education attainment of parents is an important predictor for collegegoing. The presence of college-educated residents should have a positive effect on college attendance, while the presence of relatively large numbers of immigrants might have a negative effect. Because data on parental education is often incomplete, the study should also examine the effect of overall educational attainment levels in the area surrounding a school.
- *Urbanization:* Schools in urban and suburban areas have significantly higher attendance rates than schools in rural and remote areas. Residents of rural areas may have less incentive to invest in education because there are fewer jobs that require a higher level of education.
- Regional economic condition: College going rates tend to be low in counties with high unemployment rates, while college going rates tend to be high in counties with high wage rates, or high expected returns on college completion.
- *Regional effects:* Variation in college-going that is not accounted for by other factors may be the result of cultural attitudes towards postsecondary schooling that are different across regions.

#### **Data Sources**

College enrollment data is drawn from the California Postsecondary Education Commission's Longitudinal Student Data System.

School demographics, percentages of ethnic/racial groups, students in the free or reduced-price lunch program, English Learners data, and parental education level data will be obtained from California Department of Education (CDE)'s Academic Performance Index data base (2000-2004).

Neighborhood background variables and median and average local area income can be calculated from U.S. Census data for block groups within 1.5 miles of a school. In rural areas, this radius could be expanded up to 5 miles. Percentage of local population with a bachelor's degree or higher and population density will be obtained from the U.S. Census.

Regional labor market characteristics variables, labor force, employment, unemployment, and unemployment rates will be obtained from the California Employment Development Department (EDD).

### **Next steps**

It is recommended that the Commission adopt a resolution directing staff to proceed with this study and to provide regular updates on progress in completing this research. The study can be accommodated within existing resources.

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